

1 HOUSE BILL NO. 1152  
2 AMENDMENT IN THE NATURE OF A SUBSTITUTE  
3 (Proposed by the House Committee on Agriculture, Chesapeake and Natural Resources  
4 on February 11, 2026)  
5 (Patron Prior to Substitute—Delegate Hodges)

6 *A BILL to amend the Code of Virginia by adding a section numbered 10.1-1186.7, relating to Department of*  
7 *Environmental Quality; carbon market participation; coastal and marine resources.*

8 **Be it enacted by the General Assembly of Virginia:**

9 **1. That the Code of Virginia is amended by adding a section numbered 10.1-1186.7 as follows:**

10 ***§ 10.1-1186.7. Carbon market participation; coastal and marine resources.***

11 *The Department may participate in any carbon market for the preservation, restoration, and sustainable*  
12 *management of the Commonwealth's coastal and marine resources on state-owned bottomlands and*  
13 *property. The Department may enter into agreements necessary to facilitate such participation, including*  
14 *with private entities for assistance with the registration and sale of offset credits. The Department shall hold*  
15 *exclusive title to such credits until such credits are sold. The Department may (i) enter into agreements with*  
16 *leaseholders of state-owned bottomlands and (ii) retain a portion of any resulting revenue to cover its*  
17 *administrative costs. Any revenues resulting from the sale of such credits shall be distributed as follows: 75*  
18 *percent to the Oyster Replenishment Fund pursuant to § 28.2-542 and 25 percent to such qualifying*  
19 *leaseholder.*